

NOT YET APPROVED

RESOLUTION NO. _____

RESOLUTION OF THE COUNCIL OF THE CITY OF PALO ALTO DECLARING INTENTION TO REIMBURSE PHOTOVOLTAIC SOLAR PANEL PROJECT (PE-05001) EXPENDITURES FROM CLEAN RENEWABLE ENERGY BONDS TO BE ISSUED BY THE CITY

WHEREAS, the City Council of the City of Palo Alto (the "City") has applied for and received allocation under the Clean Renewable Energy Bond ("CREB") program of the United States Department of Energy for the project described below (the "Project"):

WHEREAS, the City proposes to undertake the Project, to issue revenue bonds or other obligations (the "Bonds") to finance the Project, and use a portion of the proceeds of the Bonds to reimburse expenditures made for the Project prior to the issuance of the Bonds;

WHEREAS, Internal Revenue Code section 54(d)(2)(C) provides generally that proceeds of CREBs are not deemed to be expended when such proceeds are used for reimbursement of expenditures made prior to the date of issuance of such debt unless certain procedures are followed, one of which is a requirement that (with certain exceptions), prior to the payment of any such expenditure, the issuer declares an intention to reimburse such expenditure; and

WHEREAS, it is in the public interest and for the public benefit that the City declares its official intent to reimburse the expenditures referenced herein.

NOW, THEREFORE, the Council of the City of Palo Alto does resolve as follows:

SECTION 1. The City intends to cause the Bonds to be issued for the purpose of paying the costs of acquiring and installing approximately 250 kilowatts (kW) of solar photovoltaic (PV) panels at various City facilities, and consists of five different kinds of solar panels at three different locations: (1) the Lucy Evans Baylands Interpretive Center; (2) the Cubberley Community Center; and (3) the City's Municipal Services Center (together, the "Project").

SECTION 2. The City hereby declares that it reasonably expects (i) to pay certain costs of the Project prior to the date of issuance of the Bonds and (ii) to use a portion of the

proceeds of the Bonds for reimbursement of expenditures for the Project that are paid before the date of issuance of the Bonds.

SECTION 3. The maximum principal amount of the Bonds is expected to be \$1,500,000.

INTRODUCED AND PASSED:

AYES:

NOES:

ABSENT:

ABSTENTIONS:

ATTEST:

APPROVED:

City Clerk

Mayor

APPROVED AS TO FORM:

City Manager

Senior Asst. City Attorney

Director of Administrative
Services